

CANDLESTICK PATTERNS CHEAT SHEET

OFFICIAL TRADER DESK COPY

BULLISH REVERSAL PATTERNS (BUY SIGNALS)

Hammer

Small body at top, long lower wick (2x body). Rejection of lower prices.



Rule: Hammer candle at swing low with rising volume.

Morning Star

3-bar pattern: Bearish bar -> Small doji gap -> Strong bullish breakout.



Rule: High reliability at major support zones / EMA 50.

Bullish Engulfing

Green candle completely engulfs the prior red candle's body.



Rule: Entry at close of engulfing bar; SL below low.

Piercing Line

Bullish candle opens lower but closes above 50% of prior red body.



Rule: Indicates aggressive buying momentum returning.

BEARISH REVERSAL PATTERNS (SELL SIGNALS)

Shooting Star

Small body at bottom, long upper wick (2x body). Rejection of highs.



Rule: Shooting star at swing high / resistance level.

Evening Star

3-bar pattern: Bullish bar -> Small doji peak -> Strong bearish plunge.



Rule: Marks institutional exhaustion at market peaks.

Bearish Engulfing

Red candle completely engulfs previous green body.



Rule: Entry at close of engulfing bar; SL above high.

Dark Cloud Cover

Bearish candle opens higher but closes below 50% of prior green body.



Rule: Indicates aggressive institutional profit taking.

CONTINUATION & INDECISION PATTERNS

Doji (Neutral)

Open and close virtually equal. Market balance / pending volatility.



Rule: Wait for next bar breakout before taking direction.

Spinning Top

Small body, symmetrical upper/lower wicks. Loss of momentum.



Rule: Common before consolidation breakouts.

Three White Soldiers

Three consecutive long green candles with higher closes.



Rule: Strong trend continuation signal.

Three Black Crows

Three consecutive long red candles with lower closes.



Rule: Strong bearish breakdown continuation.